

COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

October 7, 2003

5:30 PM

Chairman Gatsas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Guinta, Osborne, Forest, O'Neil

Messrs: K. Dillon, R. Sherman, D. Prew

Chairman Gatsas addressed Item 3 of the agenda:

Communication from Hector Velez requesting permission to encumber the sidewalk in front of his business on 370 Union Street for sales, subject to meeting any other requirements of the City's Code.

Alderman O'Neil asked don't we have to amend an ordinance to do this.

Chairman Gatsas responded right because it is only Elm Street right now.

Deputy Clerk Normand stated it is 97.34. What it says currently is the Board can under certain circumstances grant these three-day licenses for encumbering the sidewalk. I think Mr. Velez wants to do something in front of his business every now and then. If that is something that this Committee wants to do and ultimately the Board then we would have to amend the ordinance as it stands. I have handed out copies of the ordinance for everyone to look at.

Alderman Guinta stated we talked about this briefly at the Aldermanic Board and I think we referred it here and there are a couple of questions that I think I had at that time. Number one is there anything that allows them to do this now? Any permission process? There is not. Secondly, what kind of business does he have? Is it grocery?

Deputy Clerk Normand answered no it is like little trinkets and novelty items.

Alderman Guinta asked and from time to time he wants to have sales...

Deputy Clerk Normand interjected what he was doing is he has a regular 3' x 7' or 4' x 7' out beside his business. Well he encumbered half the sidewalk and the Police got involved and told him he couldn't do it. Then he came to our office and wants to make some amendments to the ordinance so he will be able to do this.

Chairman Gatsas asked so right now the City's guideline is Auburn to Salmon, Merrimack River to Chestnut.

Deputy Clerk Normand answered correct. He is on the corner of Spruce and Union.

Alderman O'Neil stated my concern is the district as it is currently outlined, the sidewalks are considerably wider than the sidewalk is in this area; not only Elm Street but many of the side streets. I don't know off the top of my head and I would be guessing but they are considerably wider. If we allow this to happen whether it be on the Union Street side or the Spruce Street side, now we are going to be inconveniencing people trying to walk on the sidewalk. I think we need to find out in general what are sidewalk widths in the existing zone and again just going off the top of my head they are considerably wider and maybe we need to have some standards before we start granting this all over the City. I think we need to keep in mind that it is a little more than just granting this in this one instance.

Chairman Gatsas asked are we trying to grant this individually or are we...so if somebody else comes in for one on Bridge Street what do we tell them, no.

Alderman Forest stated I think this is just for this one request. I don't think this is forever is it?

Chairman Gatsas responded I think it is forever.

Alderman Forest stated I don't think I want to change the ordinance. I just want to grant Mr. Velez the use of the sidewalk under the same conditions of the ordinance.

Chairman Gatsas asked so if you were coming in for a three day license...

Deputy Clerk Normand interjected the process right now...we haven't had anybody come in to do this outside of that zone. What happens downtown is that ordinance was created for sidewalk cafes and stuff like that. This Committee actually passed the ordinance that would allow for that. It is an annual license. It is \$50 and every May 1 they have to come back here and renew their license. They have to show us insurance and all of that stuff. What Mr. Velez is trying to do is similar in nature where he wants to encumber the sidewalk periodically throughout the season and follow the same rules as they do downtown. I don't think he is looking for an exemption of the rules, just to do this because he is outside the zone. I will tell you that I measured his sidewalks and those are 12'. When Kolivas Park was redone they expanded the sidewalk all the way up to Union

so you have the same width now but as Alderman O'Neil said they are not all like that up there.

Chairman Gatsas asked is the width on Spruce Street or Chestnut.

Deputy Clerk Normand answered it is on Spruce Street.

Chairman Gatsas asked so if somebody came to do it, let's say his abutter next door who is on Union Street with only an 8' sidewalk...

Deputy Clerk Normand interjected right that could happen.

Alderman Osborne asked what is the width on Chestnut Street. Where does it go to now?

Chairman Gatsas answered it goes to Chestnut currently.

Alderman Osborne asked but what is north and what is south.

Chairman Gatsas replied Auburn to Salmon.

Alderman Osborne asked so all of those sidewalks in there are what.

Deputy Clerk Normand answered it essentially follows the Central Business District. That is the layout.

Alderman Osborne stated so some of those sidewalks could be smaller.

Deputy Clerk Normand answered that is true. I haven't gone to all of them.

Alderman Osborne stated I think what this reads here is that they can't encumber any more than half of the sidewalk so whether it is 8' or 10' he can only encumber that much right.

Deputy Clerk Normand responded they can only cover up to half. I can tell you that Mr. Velez has as much room as anyone else downtown but I don't know if that is the point here.

Alderman Osborne stated I think what he is trying to do is move this up to Chestnut Street on to Union Street. I don't think there are too many businesses up there.

Deputy Clerk Normand responded he is requesting this specifically for him, however, we have had conversations since this request and obviously he would like to see it come up to help out the inner City businesses. That is up to the Committee.

Alderman O'Neil asked in order to enact this do we have to amend the Central Service Business District.

Deputy Clerk Normand answered no.

Chairman Gatsas stated I think the guidelines are similar to the Central Service Business District but they are not exact because the Central Service Business District goes to one side of Chestnut Street or both sides...

Deputy Clerk Normand interjected I am not positive but there is no mention of the Central Service Business District but that is what the ordinance intended to mirror – that general area. To change something in this ordinance 97.34 does not necessarily impact that.

Alderman Gatsas stated I would think if we changed it we would need to change the street and not just do it for one selective person. Whether we want to have Matt do some more research on what he thinks the boundaries should be that is fine but we should have some discussion on that.

On motion of Alderman Osborne, duly seconded by Alderman O'Neil it was voted to table this item and have Deputy Clerk Normand work with the Highway Department and come back to the Committee with a recommendation.

Chairman Gatsas addressed Item 4 of the agenda:

Communication from Kevin Dillon, Airport Director submitting a report on behalf of the Department Head Financial Structure Review Committee.

Alderman Guinta moved the item for discussion. Alderman Osborne duly seconded the motion.

Mr. Dillon stated as you know this was referred to this Committee early in September after the full Board voted to accept recommendations 1 and 2 and I believe you have a memo in your agenda. In essence what the Board voted to do was to give the ability to move forward on a test basis on the financial reorganization with two departments – the City Clerk's Office and the Economic Development Office. They also voted to leave the committee that reviewed the issue intact to serve as the Steering Committee. There were three other recommendations that were proposed and sent to this Committee for review. I should say that the department heads who participated in the discussions did feel very strongly that all of these recommendations needed to be adopted with some departments saying simultaneously. I think there are a number of things that if this test of financial organization is going to be successful we really need to consider. I think principally the issue of how the employees are dealt. The recommendation here was that employees in

those impacted departments will receive assurance that the financial restructuring will not result in the loss of employment but rather they could not be guaranteed that their particular job would stay intact or that they would stay in the department that they were working in if efficiencies dictated something else but employees would be assured up front that they would still have employment in the City. That was viewed as being important because for this thing to work you need to have the employees buy in to it. If the employees are going to sabotage you right up front I don't think we are ever going to get to the point where we can say financial restructuring will be successful. I guess another issue that has been raised by a number of departments was separating out the audit function of Finance. I certainly don't want to speak for Kevin Clougherty or the Finance Department but I think Kevin has indicated his agreement for a variety of reasons not necessarily related to financial restructuring but just based on financial practice the audit function should be separated from the finance function. Some of the department heads felt that it was important to do that in conjunction with the restructuring and that would allow the Finance Department to interact in a lot of different areas that in the past they might not have been able to interact directly with the departments on because of that dual role that they have to provide the audit function, as well as financial services. I think there was one other recommendation and that is that there be a very clear policy adopted by the Board that delineates roles and responsibilities. Again, it is a very difficult thing I think to verbalize tonight the many weeks of discussion that went into that but basically what the concern here is is that you are holding department heads responsible for running a particular portion of the City's business. If you are now going to start giving some of those responsibilities to another department it has to be very clearly defined as to what a particular department is being held responsible for. The best way I guess I can explain this is that we came out with the Finance Department should be responsible for the financial process of the City but that a particular department would still be responsible for the financial performance and the financial policies of that department. I guess the best way I could explain it and I may be oversimplifying this but take the Airport for example. If the Airport was part of this consideration and it is not being an Enterprise fund, but if it were take for example the function of setting parking rates at the Airport. As the department director I would feel that it would be imperative for that to stay within my responsibilities to set what the parking rates are because I am trying to establish a business philosophy at the Airport but the Finance Department in a restructured role would be responsible for the accounting of the money as it came in and the process of the money but not setting the financial policy for the department. That is what I am trying to get at with this particular point is that needs to be clearly spelled out and in some cases department by department. I think the one thing that was very clear as we went through this is there is certainly not a one size fits all that is going to fly across the board. What the Economic Development Department or the City Clerk's Office needs in terms of financial support may be completely different than what the Highway Department needs. That is the reason why we said you just can't sit in a room and decide yes we are going to restructure everything tomorrow and give it a go. We felt it was important to address this department by department. Start with these two departments and see if it works and make a judgement. If it works, great, now we can start to progress

on to other City departments. If it doesn't work in these departments I think there is a general sense that it is not going to work in any department.

Chairman Gatsas asked how many employees in these two departments.

Mr. Dillon answered I don't have that count off the top of my head but as you can imagine these are two of the smaller departments in the City. We felt it was important to start with City Hall departments because we didn't want the logistics of geography to interfere in this. We wanted to see if it could work right here.

Chairman Gatsas stated 18 at the Clerk's Office and 3 in Economic Development.

Alderman O'Neil stated Bill isn't technically in Economic Development. He is in the Mayor's Office. I think it is just Jane and the new Administrative Assistant.

Chairman Gatsas asked so there is a total of 20 employees that we are talking about.

Mr. Dillon answered those are the employees in the department and not necessarily the employees involved in finances.

Chairman Gatsas asked how is such a small department if we are using this as a working piece...

Mr. Dillon interjected I think we really just wanted to go in and test the concept to see if we could develop a level of cooperation or could the Finance Department respond in a timely manner to the financial requests that the particular department would have. I think that applies across the board whether or not it is a large or small department. I think there are some very basic things we are trying to get at here to see can that working structure be implemented. Again there is no doubt and what we are trying to make clear is that even if it works very well in the Clerk's department and payroll and accounts receivable and different things are centralized in the Finance Department that may not necessarily be true with the next department. You may not have all of the same functions being centralized.

Chairman Gatsas responded but looking at those two departments with 20 employees would be a little different if we were looking at...what do you have at Information Systems. If you took a couple of departments that had 25 employees each I think you may get a truer balance because you are dealing with one that has 18 and one that has 2. I don't think there is a balance in the Economic Development Office. Maybe Information Systems is a better one to stick in with the City Clerk.

Mr. Dillon replied I don't want to speak for any other department but these two departments volunteered.

Alderman O'Neil asked, Kevin, do recommendations 3, 4 and 5 need to be approved during the test period or can those wait until the test period is over.

Mr. Dillon answered I think particularly Item 4 is almost going to be a fall out of how the test is set up quite frankly. I could say that I think Item 4 could wait to see what we learn about how well this works. I think the internal audit function...there are some department heads who feel very strongly that no test should begin until that is out.

Alderman O'Neil responded that is an old issue here too.

Mr. Dillon stated to be honest with you and I would certainly defer to the legal experts in the room but I believe that is a Charter issue. If you are going to wait until that is done to start this test you are going to be waiting a long time because I do believe the Charter has to be amended to separate out those functions.

Mr. Randy Sherman stated I believe that is actually statutorily set. I think back in the 1970's the internal audit was put in with the treasurer and then they created the Finance Officer. Actually it may be a statutory issue.

Mr. Dillon stated I think Item 5 is important to be adopted before any test is done.

Alderman O'Neil asked, Kevin, was there a recommendation and if it was in there I may have missed it but in the length of the test period.

Mr. Dillon answered six to twelve months.

Chairman Gatsas stated Kevin this says at the end of paragraph one that the Mayor will have final determination as to which departments will participate so if he doesn't want the City Clerk's Office and Economic Development then he is going to change those and he could have two others.

Mr. Dillon responded we did say it would be up to the Mayor if for some reason he felt that these two departments should not be the test departments so it would be up to the Mayor.

Chairman Gatsas replied I would rather see that changed to say the Mayor and Aldermen.

Mr. Dillon responded I certainly believe that would be acceptable to the group that put this recommendation together.

Chairman Gatsas stated I just think that the two groups that they use would have...I mean you can't take a group with 18 and a group with 2 and think that the financial functions that they are going to integrate are going to be relatively close. You would think that maybe a group of 18 and a group of 18 there would be some synergies of savings with

some of the things you could do. You could get a truer picture of what the future would look like.

Mr. Dillon answered I certainly wouldn't disagree with that logic. I think the reason we did this was two fold. Number one these were the departments that volunteered first and foremost but I also think this is a very sensitive issue. I think we wanted to start small. I think we go into this thing hoping we are going to get a victory. If you start small you are pretty much going to assure yourself of that so we can show people that this isn't something to be feared and dreaded and whatnot because I think that is why it has not taken hold in the past. I think people have a lot of misconceptions about what is going to be developed. If we have two departments who were willing participants it will be a lot easier.

Chairman Gatsas asked isn't the Clerk's Office now doing those financial things for the Economic Development Office.

Deputy Clerk Normand answered no they are doing it themselves.

Alderman Guinta asked how many departments have less than 25 people. My point is what are our choices here because it does make sense to have similar size departments with similar responsibilities to integrate so if we had an 18-25 person department how many of those exist in the City?

Mr. Sherman replied I would say probably around...

Chairman Gatsas interjected it is Information Systems and the Clerk's Office and who else.

Ms. Diane Prew replied most of the departments in City Hall.

Deputy Clerk Normand stated the Building Department.

Mr. Sherman stated Welfare and OYS. The only ones that probably aren't are Police, Fire, Highway, Parks and the Enterprises.

Alderman Guinta asked should we try to put a list together and choose from that list the most appropriate two to recommend to the Mayor..

Alderman O'Neil stated I like where Alderman Guinta is going although I think they have kind of worked the department heads and the committee worked hard on this and maybe we should allow them one more crack at seeing who they can come up with. I don't know Kevin and I am not trying to put the ball in your court but I am saying maybe the committee could be asked to find some comparable departments. Instead of us forcing the issue maybe let them...

Mr. Dillon interjected so the direction would be to find another department of equivalent size to the Clerk's Office.

Chairman Gatsas replied I just gave you one – Information Systems.

Ms. Prew stated I think one of the issues is they were trying to keep the departments logistically close to Finance because of the interactions between the staff.

Mr. Dillon stated that is true. We didn't want the geography to start interfering with the effectiveness like having to worry about whether it was complicated by the fact that someone had to run over to the Fire Department or to a different location.

Alderman O'Neil asked won't that be an issue if things move forward.

Mr. Dillon replied down the road it will be but again we are trying to crawl before we walk.

Chairman Gatsas stated I would rather see us walk a little bit before we...because obviously that is going to be an issue so we might as well try and address that issue now with two smaller departments. Instead of crawling let's walk a little.

Alderman O'Neil moved to refer this back to the Department Head Financial Restructure Review Committee and ask them to take another look at trying to find a couple of comparable departments to do the test program. Alderman Guinta duly seconded the motion.

Mr. Dillon stated the only thing I would throw out and I would refer it to the Clerk's Office if it is a complication but the Board already voted on recommendation #1.

Chairman Gatsas responded that is before it came to this Committee.

Mr. Dillon stated that works for me.

Deputy Clerk Johnson stated the process would then be to come back to the Committee with the recommendations and then go back to the Board with them. The Board would have to vote to change that.

Alderman O'Neil stated if they don't come back with a recommendation then the Committee may have to make a recommendation.

Chairman Gatsas called for a vote. There being none opposed, the motion carried.

Chairman Gatsas addressed Item 5 of the agenda:

Communication from Diane Prew, Information Systems, advising that the Mail Operation Committee met to review the proposals and as a result a new proposal from Pitney Bowes was received that the Committee will be meeting shortly to review.

Chairman Gatsas asked so we aren't getting another presentation they are just giving us a recommendation right.

Ms. Prew answered we are meeting next week and by your next meeting we will have our final recommendations.

Alderman O'Neil asked was this an unsolicited proposal from them.

Ms. Prew asked the second one.

Alderman O'Neil answered yes.

Ms. Prew stated no. We met with...

Alderman O'Neil interjected both firms or...

Ms. Prew interjected we met with Will Lustig. What he proposed to us now is more in line with the other company, which is FORMAX. Once the recommendation is made, if we are going to go forward we would have to go out to bid anyway.

Alderman O'Neil stated so we are not just awarding it to one firm.

Mr. Prew replied there is no award here. We are just making a recommendation as to what action the City should take.

Alderman Guinta asked if we have to go out to bid why are we going through this process now. You just said we have to go out to bid anyway so why are we going through this process?

Ms. Prew answered because a presentation was made to the Committee and the Committee...

Alderman Guinta interjected let me clarify my question. If this has to go out to bid, why were these two companies presenting to the Board?

Chairman Gatsas stated it was just the concept.

Alderman O'Neil stated if I may one of them had suggested that maybe we could do things a little differently and that led the second one to way I guess we agree and we asked City staff to sit down and review that and figure out if we could do something a little differently.

Alderman Guinta asked so those presentations were unsolicited.

Chairman Gatsas answered yes.

Alderman Forest asked shouldn't it still be on the table.

Alderman O'Neil stated it was out of Committee.

On motion of Alderman Guinta, duly seconded by Alderman Forest, it was voted to table this item.

There being no further business, on motion of Alderman Osborne, duly seconded by Alderman O'Neil, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee